

MINUTES OF THE JOINT CAPITAL OUTLAY SUBCOMMITTEE

Meeting No. 4: Wednesday, June 5, 2013, 4:00 p.m.

Senate Appropriations Room, 3rd Floor, State Capitol
100 S. Capitol Ave.
Lansing, Michigan 48933

The Joint Capital Outlay Subcommittee was called to order by the Chair, Senator Darwin L. Booher at 4:09 p.m.

Members present

Senators: Booher, Jansen, Green, Moolenaar, Hood, and Anderson.

Representatives: Kowall, Muxlow, Potvin, Forlini, Howrylak, and Zemke.

Members excused

Senators: Schuitmaker.

Representatives: Durhal.

Chair Booher placed agenda item number 1 before the Subcommittee.

1. Minutes of Meeting No. 3 – Wednesday, May 8, 2013

Senator Jansen moved adoption of the minutes, supported by Representative Kowall.

The motion passed on a favorable voice vote.

Chair Booher placed agenda item number 2 before the Subcommittee.

2. Michigan Public Service Commission Private Lease

DTMB Letter Date: 4/30/13

Pursuant to the Section 221 of the Management and Budget Act, the Director of the Department of Technology, Management, and Budget (DTMB) may provide for the rental and lease of land and facilities for the use of State agencies. If a lease includes an annual base cost of more than \$500,000.00, approval of the Joint Capital Outlay Subcommittee is required. The DTMB is proposing a new lease for the Public Service Commission at 700 May Street, Lansing, Michigan. The total square footage is 61,079 and will include offices and hearing rooms. The annual cost of the lease is \$858,770.76, including renovation, utilities, management fees and property taxes. Operating costs are included with the exception of telecommunications and alarm. The lease is for a ten-year initial term, with two five-year options.

Testimony

Mr. Bob Burns, Director, Real Estate Division, Department of Technology, Management & Budget
Mr. Michael O'Brien, Chief of Staff, Michigan Public Service Commission

Questions and discussion by Subcommittee members followed.

Senator Jansen moved approval of the PSC lease, supported by Representative Kowall.

The motion passed 14-0-2

FAVORABLE ROLL CALL

Yeas:

Senators: Booher, Jansen, Green, Moolenaar, Hood, and Anderson.

Representatives: Kowall, Muxlow, Potvin, Forlini, Howrylak, and Zemke.

Nays: None

Excused: Senator Schuitmaker and Representative Durhal.

3. Excuse Absent Members

Representative Kowall moved that absent members be excused, supported by Senator Green.
The motion passed on a favorable voice vote.

There being no further business before the Subcommittee, Chair Booher adjourned the meeting, the time being 4:17 p.m.

Senator Darwin L. Booher, Chair _____
Bill Bowerman, Senate Fiscal Agency, (517) 373-2768